



What's Developing in Frederick

How Development Happens and the Town's Role in It Part 2 | July 2016

As you may recall, last month's "What's Developing?" article responded directly to some comments on the Town's Facebook page, discussing how the largely market-driven development process works and clearly identifying what the Town's limited role is in all of it. However, due to time and space factors, we were only able to respond to some of the posts that we had originally intended to. So, we have devoted this month's article to addressing comments from two more people, specifically related to the type of homes that are being built in town, over-crowding in Frederick and how Town staff and officials navigate these issues.

The first comment we wanted to address this month suggests that the Town should limit the amount of land that is available for residential development and/or limit the number of homes that are built.

"Great, more housing developments. How about you guys think about putting a cap on just how much land you're gonna take up squeezing more people, and kids, into an already over packed town."

The suggestion about a cap on the amount of land devoted to housing is well-taken. And in fact, we have two related mechanisms in place that limit the amount of residential development that can occur in Frederick.

First, as I mentioned in last month's article, Town staff recently worked with a consultant to update the Town Comprehensive Plan, which makes population projections and then designates land in accordance with those projections to allow for balanced growth among all sectors – residential, industrial, commercial, public, open space, etc. If you take a look at the "future land use map" in the plan, you will see a balanced allocation of these different land uses throughout town. So, if a housing developer wanted to change a property's land use designation to put in more houses, the process would be more difficult and approval would be less likely.

Second, and closely related to the Comprehensive

Plan, Town regulations require residential developers to provide roads, water, sewer and other infrastructure to their proposed developments as lots are subdivided and built upon. Because infrastructure tends to be very expensive, it is a naturally limiting factor which forces development to happen incrementally as services, such as water and sewer lines are extended a little bit at a time. In short, the presence of infrastructure dictates when and where development can happen. As a result, the Comprehensive Plan calls out certain areas of town as "priority development areas," because they are the most likely to develop in the near future due to the limitations and cost of infrastructure in some areas.

While it is important to ensure responsible residential growth using the tools above, it is also critical to build a residential customer base that is sufficient to support retail uses that, in turn, generate sales tax revenues that fund municipal services, such as road maintenance and police protection. As such, the Town does not want to limit home-building too much because then it will take even longer to get that supermarket and restaurants that everyone wants, and are needed to fill in the gap between residential property taxes and the cost of services.

It is also important to note that purposefully limiting growth in a community can impact housing affordability. In the 1970s, Boulder preserved a ring of undeveloped land around the city that limited its ability to sprawl larger and larger like most cities do over time. And while the strategy worked from a quality of life standpoint, a perhaps unintended result was the creation of an artificial land shortage, which combined with that high quality of life and other factors to create some of the highest real estate costs in the state. According to the Boulder Daily Camera, the median price of a single-family home in 2015 was \$693,000 in Boulder and \$469,000 in Boulder County.

As a result of those high real estate prices, the majority of Boulder County residents cannot afford to purchase



homes at the median price, and many are leaving the county in search of more affordable options. Many of those home buyers are likely landing in adjacent Frederick with its relatively less expensive, but still record-high for the area, median home price of \$329,900.

While there is little danger of home prices in Frederick skyrocketing to Boulder levels any time soon, spillover from the super-hot housing markets to west of us may already be contributing to higher prices here. With housing prices already at record highs in Frederick, artificially limiting the number of homes that can be built in town right now could worsen the growing affordability problem.

Regarding the assertion that Frederick is “over-packed,” or “overcrowded,” in planner lingo, it’s tough to nail down exactly what makes a place overcrowded. People’s perceptions on overcrowding are relative to their personal tastes and life experiences. For example, someone moving to Frederick from Platteville or Gilcrest could see Frederick as overcrowded. Likewise, someone that has lived in Frederick all of their life and has seen 3,263 homes be built here since 1999 could also arrive at the conclusion that Frederick has gotten crowded, at least compared to the way it used to be. However, someone moving to Frederick from Denver, Aurora, or even Boulder or Longmont, might feel differently.

From a statistical standpoint, planners use a number of metrics to measure overcrowding including “population density,” where you divide the population of an area by its square mileage. The calculation gives you the number of people per square mile in a given area. If you reverse the formula and divide square mileage, by population, then you see how much space is allocated to each person in that area. There are many other factors that go into accurately interpreting population density, so in the interest of time and space we will not go into a detailed analysis of the figures in the table on the last page of this article, which compares Frederick’s density with other northern Colorado municipalities (sorted by People per square mile).

Among the front range and north-metro municipalities included in the previous table, Frederick actually ranks second-lowest in overall population density with only 784 people per square mile, and lowest amongst municipalities over 10,000 in population. This low relative density is due to a number of factors, including:

- 1) Large quantities of undeveloped land that have been annexed into the town but not yet built upon (perhaps most significant);
- 2) Large quantities of land dedicated to parks, open space and public uses, such as schools;
- 3) Large quantities of land dedicated to industrial and commercial uses; and
- 4) A general lack of apartment complexes and townhome developments that would increase density.

Other smaller communities in high-growth phases, such as Mead and Johnstown, exhibit similarly low densities. Once the vacant lands in town start to build out, Frederick’s population density should rise.

It is also important to note that, despite Frederick’s lower population density on paper, apparently denser communities such as Fort Lupton, Gilcrest, Platteville and others are surrounded by farm lands or other open space, have less overall traffic because they are not adjacent to other towns or cities, and probably feel less crowded than Frederick.

But, generally speaking, using population density as a quantitative measuring stick, I think that it is safe to say that Frederick is not an overcrowded town when compared to other communities in northern Colorado.

Lastly, we will hear from a citizen who seems less concerned about the quantity of the homes being built in town than with the quality of the homes and the potential for fracking nearby.

“Clearly, the response on this post is not favorable of more houses. I am concerned with the small lots with cookie-cutter looking houses spaced so close together. There is no charm in that style of development but it certainly lines the pockets of the developers. Also, is there going to be allowed anymore fracking? It’s really frightening and makes the area look bad.”

I understand where you are coming from. We as Americans, particularly in the West, are wired from birth to want more elbow-room; we see large-lot residential development as the embodiment of the American dream, and the market has responded. According to the Census Bureau, between 1973 and 2013, the size of the average single-family home ballooned from 1,660 to 2,600 square feet and the average lot size for those single-family homes



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sold in 2013 was .35 acres.

The problem is that nowadays a property like that could run half-a-million dollars or more – not just in Denver or Boulder, but in Erie or Frederick. As I mentioned previously, the median home sales price in Frederick for 2015 was \$329,900 and rising.

That's a heck of a lot of moolah for most people. Consider that the median household income in Frederick is \$79,375. According to the bankrate.com mortgage calculator, a family making median income, paying average taxes and insurance rates, with no other debt and the ability to put \$50,000 down, can afford a \$370,000 home at a 4% mortgage rate. However, conservatively add \$1,000 per month in car payments, credit card bills, alimony, child support and/or student loan debt service into that equation, and that same family can only afford about \$270,000. Reduce the household income to \$72,000 and whittle that \$50,000 down payment to \$10,000 if they're first-time buyers and a given family may be looking at a home closer to the \$185,000 price point, which is scarce in Frederick.

There is more of a market for the modest-sized home on the smaller lot simply because that kind of product is within reach of more people, especially in today's hot real estate markets. If land developers and builders in Frederick only created neighborhoods of custom mini-estates where no two homes were alike, they would be targeting a narrower demographic, and fewer people would be able to buy their product. As a result, in the future we will likely see a size range of homes that is similar to what is currently being built in town, but with even more affordable options, such as apartments and townhomes.

All of that being said, there is no reason that more affordable homes have to look unattractive, or even "cookie cutter," as you put it. In fact, Frederick regulations dictate just the opposite. Residential developers have to meet "diversity" standards that prevent them from building the same house over and over again just to reduce design cost. Architectural standards also require builders to incorporate interesting and different features into home designs. Granted, many of the newer neighborhoods in town are not comprised of custom homes, but you will not see the same floorplans or the same color schemes right next door to each other as you might in other communities.

With regard to your fracking question, the answer, in a nutshell, is that there could be more new oil and gas development in town, as well as work on existing wells. But while we agree that the impacts of oil and gas development could be cause for concern, and that Frederick would undoubtedly look more inviting without industrial-looking well infrastructure, the Town has very little power when it comes to regulating that industry. I won't go into too much detail, but if you're interested would encourage you to check out past "What's Developing?" articles that have focused on oil and gas, but that industry is regulated by the state of Colorado Oil and Gas Conservation Commission, which supersedes the Town's zoning ordinance that was put in place to separate industrial uses, such as oil and gas, from residential and other more sensitive land uses. Oil and gas wells can be drilled in any zoning district, and the Town can only attempt to mitigate impacts such as traffic, road damage, odors, noise, light and appearance.

For more information on this or any other topic, shoot me an email at ckennedy@frederickco.gov or call me at 720-382-5652.



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Municipality	Population (2013)	Area		Population Density	
		Square Miles	Acres	People per square mile	Acres per person
Timnath	1,543	5.058	3237.12	305.1	2.1
Frederick	10,196	13.01	8,326.40	784	0.82
Johnstown	12,093	13.52	8,652.80	895	0.71
Mead	3,985	4.402	2,817.28	905	0.71
Platteville	2,568	2.527	1,617.28	1,016	0.63
Estes Park	6,086	5.9	3,776	1,032	0.62
Milliken	5,927	5.714	3,656.96	1,037	0.62
Firestone	11,175	10.4	6,656	1,075	0.6
Erie	19,723	17.3	11,072	1,140	0.56
Berthoud	5,394	4.054	2,594.56	1,331	0.48
Windsor	20,422	14.9	9,536	1,371	0.47
Gilcrest	1,073	0.7	445	1,533	0.42
Dacono	4,374	2.703	1,729.92	1,618	0.4
Lyons	2,102	1.236	791.04	1,701	0.38
Broomfield	59,471	34	21,760	1,749	0.37
Evans	19,994	10.5	6,720	1,904	0.34
Ft. Lupton	7,689	4.015	2,569.60	1,915	0.33
Commerce City	49,799	25.9	16,576	1,923	0.33
Brighton	35,719	17.1	10,944	2,089	0.31
Golden	19,393	9	5,760	2,155	0.3
Aurora	345,803	142.7	91,328	2,423	0.26
Louisville	19,588	8	5,120	2,449	0.26
Eaton	4,647	1.892	1,210.88	2,456	0.26
Lafayette	26,784	9.6	6,144	2,790	0.23
Loveland	71,334	25.5	16,320	2,797	0.23
Arvada	111,707	35.759	22,885.76	3,124	0.21
Superior	12,865	4	2,560	3,216	0.2
Greeley	96,539	30	19,200	3,218	0.2
Ft. Collins	152,061	47.1	30,144	3,229	0.2
Wheat Ridge	30,920	9.548	6,110.72	3,238	0.2
Longmont	89,919	27.6	17,664	3,258	0.2
Lakewood	147,214	44.06	28,198.40	3,341	0.19
Westminster	110,945	32.9	21,056	3,372	0.19
Wellington	6,725	1.8	1,152	3,736	0.17
Lochbuie	5,191	1.313	840.32	3,954	0.16
Boulder	103,166	25.7	16,448	4,014	0.16
Denver	649,495	155	99,200	4,190	0.15
Thornton	127,359	27.2	17,408	4,682	0.14
Northglenn	37,499	7.5	4,800	5,000	0.13
Federal Heights	11,973	1.776	1136.64	6,742	0.1